20 December 1967

MEMORANDUM FOR: Chief, LEOB/SRS

SUBJECT: December 1967 RAMPARTS Article Entitled "The CIA's 'Brown and Root Dimensions'"

BROWN and ROOT, Inc. - #405552

The following employees of BROWN and ROOT, Inc. were approved for contact use on the dates indicated:

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|---|---|
| WHITE, Ross - #405552-A | 13 March 1950 |
| TOWNE, Isaac Newton, Vice-President in Charge of Foreign Operations -#405552-B | 11 December 1952 and 16 February 1953 |
| WARNER, Merritt Allen, Chief Project Accountant - #405552-C | 31 January 1957 and 11 April 1957 |
| MONTGOMERY, Thomas Kenneth - #405552-D | 15 February 1957 and 8 May 1957 |
| BRADBERRY, Louis Dell - #405552-E | 4 October 1957 |
| WILLIAMS, Bobby Joe #C462165 | 14 July 1965 |
| WAGNER, Richard Andrew, Civil Engineer - #453188 (A PSCA was issued for contact and assessment but he was not used - had a poor credit reputation) | 3 August 1965 |
| REMKES, Elmer Ray - #464127 | 6 August 1965 |
| MACKIN, John Gilman, Jr. - #449780 | 19 July 1966 |

BROWN FOUNDATION

There is no OS subject file on the BROWN Foundation but a reference file contains a memorandum dated 30 January 1967 to the Deputy Director, Plans

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GROUP 1
Excluded from automatic downgrading and declassification

from Chief, Central Cover Group concerning the threat of exposure of Agency operations and concludes that the BROWN Foundation of Houston, Texas was one of the most vulnerable to exposure because public records reflect direct ties from Agency funding instruments identified by Congressman PATMAN in 1964 to legitimate foundations and Agency projects they have sponsored.

VERNON FUND - #69000-573

The VERNON Fund (HBMUDWEED) was created by the Agency in June 1958 as an ostensibly private philanthropic foundation legally incorporated under the laws of and with an office in the District of Columbia. It is used as a cover and funding mechanism for Porject DTLAMPREY. The objective of this project is the development of organizational and individual assets capable of strengthening the unity of non-Communist teachers and their organizations throughout the world. These objectives are carried out through the active support by the Agency of the international programs of the National Education Association (FBLINTHEN) and the World Confederation of Organizations of the Teaching Profession (JBLACEPOD) with which NEA is affiliated. In March 1967 because of exposure of the Vernon Fund in news media, the Board members were contacted advised as follows:

Each Vernon Fund board member is being advised that he will receive a copy of the NEA and WCOTP letters regarding press allegations; he will acknowledge his membership on the Vernon Fund board if confronted with the fact; he will acknowledge that the Vernon Fund has supported WCOTP and that it made a few small grants to NEA; he will decline any further comment on the origin or operation of the Vernon Fund, on sources of Vernon Fund money, on whether the Vernon Fund received money from the Agency, or any other aspect of the Fund; he will be informed that the Vernon Fund records are not available to the public, short of subpoena; he will be asked to return any files or papers relating to the Vernon Fund; he will be told that Dr. CARR (William George CARR) has not yet had to identify any board members but will probably have to; he will not comment on the creation of the Vernon Fund and how initial contacts were made.

DICK, Albert Blake, III - #C178333 (Vernon Fund Board Member)

Albert Blake DICK, III, President, A. B. DICK Company, Chicago, Illinois, was granted a Covert Security Approval for his witting use in connection with the funding of Project TPFOUMART.

CARR, William George - #410038-B and #116382

William G. CARR was granted a Covert Security Clearance on 22 April 1955 for unwitting use under Project DTPILLAR and on 21 November 1967 he received a Covert Security Approval to permit his use under Project DTLAMPREY in his position as Secretary-General of the World Confederation of Organizations in the Teaching Profession.

REA, Bryce, Jr. - #149438

Bryce REA, Jr., attorney for the Vernon Fund, was granted a Covert Security Clearance for his use on a cleared attorneys' panel on

15 November 1956 and on 19 September 1958 he received another covert security Clearance to permit his use as a Lessee Cut-Out in the procurement of domestic safehouses.

World Confederation of Organizations of the Teaching Professions (Funded by the Vernon Fund)

I In April 1967 a discussion was held between an Agency representative and John THOMPSON and Ray SMYKE of the WCOTP (World Confederation of Organizations of the Teaching Profession) concerning future funding for WCOTP. Because of publicity concerning the funding of WCOTP by the Vernon Fund WCOTP leadership promised its membership that no further Vernon Fund money would be accepted until the status of the Vernon Fund was clarified. John THOMPSON felt that the best solution would be a one-time only infusion of money by sterile check into the WCOTP bank account to be backstopped by a letter from the attorney for the Vernon Fund, Bryce NEA, who would attribute the money to members of the Vernon Fund Board who anonymously wished to provide WCOTP with sufficient funds to cover expenses until other sources could be found.

In May 1967 John THOMPSON of the WCOTP described to an Agency representative an interview he had with Mike MacMANUS of TIME magazine on 1 May 1967 who wanted to discuss the effects of newspaper publicity on WCOTP operations. MacMANUS was especially interested in any economies forced on WCOTP and a request for proof of the value of WCOTP operations to individual teachers. THOMPSON felt that MacMANUS did not succeed in gaining sufficient additional information from the interview to warrant writing his projected article.

SMYKE, Raymond Joseph - #160031

Raymond Joseph SMYKE was granted a Covert Security Approval on 18 July 1957 for use as a witting employee of Project HTFILACER and on 19 May 1962 he received a Covert Security Approval for his use by Project JBLACKFOD as Coordinator for African Activities in Washington, D. C. SMYKE is administrative officer of the World Confederation of Organizations of the Teaching Profession.

THOMPSON, John

I It was not possible to identify a subject file on John THOMPSON employed by the World Confederation of Organizations of the Teaching Profession.

CABOT FOUNDATION

OS indices were negative on the CABOT Foundation. (SEE Thomas D. CABOT)

American Friends of the Middle East O #340.377 and #65300

American Friends of the Middle East (Project ZRTINDER) was created in May 1951 with the purpose of employing aggressive propaganda to promote

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the friendship of peoples of the Near and Middle East toward the United States and to combat Communism. It was incorporated as a voluntary, non-profit membership corporation under the laws of New York State. Dorothy THOMPSON, columnist, was selected as Chairman. In early 1967 AFME received a good deal of newspaper publicity concerning its Agency affiliation including articles in the Soviet press, TASS and USSR INTERNATIONAL AFFAIRS. Syria was the only country in which AFME is active that raised the question of the organization's continued existence in the light of allegations of Agency financial support; although, there were rumblings in Iraq.

San Jacinto Fund

There is no OS subject file on the San Jacinto Fund. The attached memorandum dated 30 January 1967 from Chief, Central Cover Group to Deputy Director, Plans - "Threat of Exposure of Agency Operations" - stated that RAMPARTS has expressed intense interest in the San Jacinto Fund, and its sources of income in particular, because it funds 5 HBEPITOME activities (youth affairs).

M. D. ANDERSON Foundation

There is no OS subject file on the M. D. ANDERSON Foundation but OS indices reflect a file on the M. D. ANDERSON Hospital and Tumor Institute.

A study program to determine the effects in diverse Biological Systems resulting from exposure to high intensity coherent radiation was contracted with the M. D. ANDERSON Hospital and Tumor Institute, University of Texas, Houston, Texas in October 1963 but as of 16 April 1964 there was a hold order against going ahead with the contract because of a question as to why the Agency should bear the whole cost of the contract which was to be for inter-departmental use. In May 1967 a note in the file indicated that M. D. ANDERSON Hospital and Tumor Institute will be engaged in classified work for the Agency. There was no record of a clearance issued.

MARSHALL FOUNDATION

See attached memorandum dated 30 January 1967 from Chief, Central Cover Group to Deputy Director, Plans - "Threat of Exposure of Agency Operations". The MARSHALL Foundation of Houston, Texas is considered one of the most vulnerable to exposure.

A "New York Times" article for 26 February 1967 disclosed that the MARSHALL Foundation of Houston, Texas channeled funds from the Agency to the School of Industrial and Labor Relations at Cornell University from 1961 to 1963.

(See Douglas B. MARSHALL)

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BROWN, George Rufus - #94014

George Rufus BROWN, Executive Vice President of BROWN and ROOT, Inc., Houston, Texas, was granted a Covert Security Clearance on 23 October 1953 for use as a covert associate in the United States on Project LPCOIN. On 22 April 1965 he was granted a Provisional Covert Security Approval to permit contact and assessment of BROWN in connection with his possible use in serving on the Board of Directors for a proprietary being set up to support staff employees working in Udorn, Thailand Laos and a Covert Security Approval for this use was issued on 18 June 1965. These clearances were cancelled 2 June 1967 as BROWN was not used.

BROWN, Herman - #95239

Herman BROWN, President and Director of BROWN and ROOT, Inc., Houston, Texas and President and Trustee of the BROWN Foundation, Houston, Texas, was granted a Covert Security Approval on 3 December 1953 for use as a Covert Associate in the U. S. under Project LPCOIN. This clearance was cancelled 15 February 1966.

CLARK, Ed

Negative

SHIVERS, Allan - #373051

Governor Allan SHIVERS of Texas was on the Advisory Board of FACTS FORUM NEWS in September 1955. He was listed as a trustee of the American Good Government Society in April 1965.

Allan SHIVERS, Governor of Texas, was a signer of a statement appearing in the NEW YORK TIMES for 20 October 1949 sponsored by the Iron Curtain Refugee Campaign of the International Rescue Committee. The IRC was described as basically good, humanitarian organization but many individuals of questionable loyalty have been associated with it.

A NEW YORK TIMES clipping for 12 February 1954 stated that Allan SHIVERS, Governor of Texas, said he planned to ask his Legislature to make membership in the Communist Party a death penalty offense. He was quoted as saying "In politics we often speak of bipartisan issues. I can think of nothing that should be more bipartisan than catching a Communist. There can be no valid issue between Americans over Communists. Americans are either pro-Communist or anti-Communist."

No clearance was requested or issued for SHIVERS. His file contains reference cards only.

MOODY, Dan

Negative

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CABOT, Thomas D., Jr. - #430906

Thomas D. CABOT, Jr. was approved for contact use on 17 August 1961. At the time he was Vice President and Director of International Relations Texas Butadiene and Chemical Corporation. He was residing in Lausanne, Switzerland. Contact interest was for briefing him on Agency interests in economic and political developments in various European countries; chemical industrial development, etc. He was the subject of a favorable background investigation in 1952.

CABOT, Thomas Dudley - #87904

Thomas Dudley CABOT was granted a Covert Security Approval for use under Project LPCOIN. On 26 June 1959 he was issued a Covert Security Approval for use with Project UNGLANT. He was to serve as the President or Chairman of an American Committee whose objective was to foster Franco-American relations at the management level. CABOT had been approved for contact use in 1950 and received a clearance for use on the Executive Committee of M.I.T. in April 1954. A continuation of this clearance was granted on 29 October 1958.

SMITH, William A. - #76535

William A. SMITH was granted an Operational Clearance on 22 August 1952 for use as an agent in Latin America under commercial cover. On 14 January 1955 a Covert Security Clearance was issued to SMITH to permit his use as a Covert Associate in the United States under Project LPFUNNEL. At the time he had a number of business interests in Houston, Texas, i.e., William A. SMITH Construction Company, Houston, Texas; Texas Eastern Transmission Corporation, Citizens State Bank of Houston, etc.

WORTHAM, Gus

Negative

JAWORSKI, Leon - #168199

Leon JAWORSKI was granted a Covert Security Approval on 31 March 1958 in order that he could be made witting of Agency interest in the M. D. ANDERSON Foundation. His file contains a newspaper clipping from the WASHINGTON STAR for 3 December 1963 which concerns his appointment as special counsel for a Texas State Court of Inquiry into the assassination of President KENNEDY. He had achieved prominence when he was prosecutor at the Nuremburg War Trials. The article also stated that in 1960 JAWORSKI successfully represented Lyndon B. JOHNSON in a court challenge of Mr. JOHNSON's right to have his name appear on the general election ballot in Texas both as a candidate for Vice-President and for reelection to the U. S. Senate. Another item in U. S. NEWS & WORLD REPORT for 7 July 1964 reported that Houston lawyer, Leon JAWORSKI, who is close to Lyndon JOHNSON was being considered for the job of Attorney General.

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FREEMAN, John Henry - #157181

John Henry FREEMAN was granted a Covert Security Approval on 28 June 1957 to permit the utilization of his services under Project LPCOIN. At the time he was a partner in the large and leading law firm of FULBRIGHT, CROOKER, FREEMAN, BATES and JAWORSKI at Houston, Texas and was a trustee of the M. D. ANDERSON Medical Foundation.

COCKRELL, Ernest Dashiell, Jr. - #91571 and #E403051-A

Ernest Dashiell COCKRELL, Jr. was approved for contact use (CAUTION) on 10 June 1953 and was granted a Covert Security Clearance on 4 August 1953 for use in the U. S. under Project QKENCHANT. At the time he was President of two oil companies in Houston, Texas; Oil Production Maintenance, Inc. and Production Maintenance Company.

MARSHALL, Douglas B. - #173597

Douglas B. MARSHALL was granted a Covert Security Approval on 28 November 1958 in order that he could be made witting of Agency interest in the CULLEN Foundation. MARSHALL was Vice President of the Quintana Petroleum Corporation of Houston, Texas which is the holding company owned by the Hugh Roy CULLEN family. MARSHALL's wife, Margaret Cullen MARSHALL, is a daughter of Hugh Roy CULLEN.

HOBBY, Oveta Culp - #344001 and #241189

Oveta Culp HOBBY was granted a continuing liaison clearance on 7 April 1953 when she was Director of the Federal Security Agency. A Covert Security Approval was issued 18 July 1961 to permit her use under Project LPCORSET to aid in funding arrangements through the HOBBY Foundation of Houston, Texas of which she is President. On 26 October 1965 a Provisional Security Approval was granted to permit contact, assessment and briefing of Mrs. HOBBY as President of the HOBBY Foundation in connection with her possible utilization on an advisory committee of a broadcasting activity, University of the Air, directed at the students and intellectuals of Cuba. A Covert Security Approval was issued 31 March 1966 primarily to use the prestige of her name and position as cover for WH/Cuba activities and it was not expected that Mrs. HOBBY would take an active day by day role in the activities.

BUTLER, George A.

Negative

HOBBY, William Pettus, Jr. - #425337 and #275074

Oveta Culp HOBBY's son, William Pettus HOBBY, Jr., born 19 January 1932 at Houston, Texas, was security approved for contact use on 23 May 1960. At the time he was Associate Editor of the HOUSTON POST, Houston, Texas. On 29 June 1962 he was granted a Covert Security Approval to permit his witting use under Project CAWAGTAIL which was to be supported by the

HOBBY Foundation. On 22 October 1965 a PCSA was issued to HOBBY for the same use in WH/Cuba activities as that outlined for his mother. This Provisional clearance was firmed into a Covert Security Approval on 4 February 1966 for the same use.

Sarah K. Hall

Atts:
Dec 67 RAMPARTS
Memo dtd 24 Nov 67 (SF-633-67
Memo dtd 30 Jan 67 to DD/P
NYT 2/26/67
NYT 2/19/67

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